

Ford  
Signature of Sponsor

**AMEND Senate Bill No. 1163**

**House Bill No. 873\***

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 5, Chapter 1, Part 1, is amended  
by adding the following as a new section:

5-1-127.

(a) Every county whose residents receive free or uncompensated care classified as charity under the policies of essential access hospitals in this state shall contribute funds to the safety net hospital in accordance with the provisions of this section.

(b) The amount a county shall contribute to an essential access hospital shall be determined by multiplying the amount of uncompensated care to that county's residents at the hospital by a fraction in which the numerator is the amount of tax dollars paid to the hospital by the county in which the essential access hospital resides and the denominator is the amount of uncompensated care provided to residents of the county in which the essential access hospital resides.

(c) Each county shall make its payment to the essential access hospital required by this section on or before December 31 of each year. The payment shall be calculated on the basis of the amount of taxes paid and the uncompensated care rendered in the prior fiscal year.

(d) The commissioner of health is authorized to promulgate rules and regulations to effectuate the purposes of this section. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

(e) For the purposes of this section:

(1) "Uncompensated care" means care which the hospital determines the patient qualifies for under its policy consistent with the provisions of Section 68-1-109.

(2) "Essential access hospital" means a hospital that qualifies for essential access hospital provider payments under the TennCare program.

SECTION 2. Tennessee Code Annotated, Title 68, Chapter 11, Part 2, is amended by adding the following as a new section:

68-11-259.

(a) Each essential access hospital, as defined in Section 1 of this act, shall report the amount of charity care it renders and the amount of revenue it receives from county governments to the department of health. Each essential access hospital shall also report the amount of charity care it renders by the county of residence of its patients.

(b) The department shall calculate the amount of the payment that each county owes to each essential access hospital pursuant to Section 1 of this act and inform each county and each hospital of the amount of the payments on or before November 1 of each year.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.